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D. STEPHEN SCHWABAUER
City Attorney

Memorandum

TO: Honorable Mayor and Members of the City Council
Members of the Appointed Boards and Commissions

FROM: Steve Schwabauer, City Attorney

SUBJECT: Notice of Options Regarding AB 1234 Mandatory Ethics Training Requirements

DATE: October 18, 2006

A new law effective January 1, 2006 requires specified local officials to receive two hours of ethics training.¹ For those officials who were in service as of January 1, the deadline for receiving the first round of training is January 1, 2007.² The requirement applies to local officials who either receive compensation for their service to the city or are reimbursed for their expenses.³

The training must cover both ethics laws and ethics principles.⁴ There are a number of options for complying with this requirement.

- The City of Lodi will be offering training on October 25, 2006 from 6:00-8:00 p.m. at the Carnegie Forum.
- Self-study materials are available at www.ca-ilg.org/ab1234compliance. The materials require that you read two articles on public service ethics laws and principles, take a self-assessment test and then submit it to the Institute for Local Government with a processing fee. The Institute will review your test, provide you the correct answers to the questions and a proof of participation certificate.
- Regional and statewide training opportunities include those offered by the League of California Cities at its Executive Forum and Annual Conference. Additional options are described at www.ca-ilg.org/ab1234compliance.

¹ Cal. Gov't Code § 53235(a), (b).

² Cal. Gov't Code § 53235.1.

³ Cal. Gov't Code § 53235(a).

⁴ Cal. Gov't Code § 53235(b).

Once you receive your proof of participation in the required AB 1234 training, please make a copy of the certificate for your records and provide the original to the City Clerk's office.⁵ These records will be retained as public records for at least five years.⁶

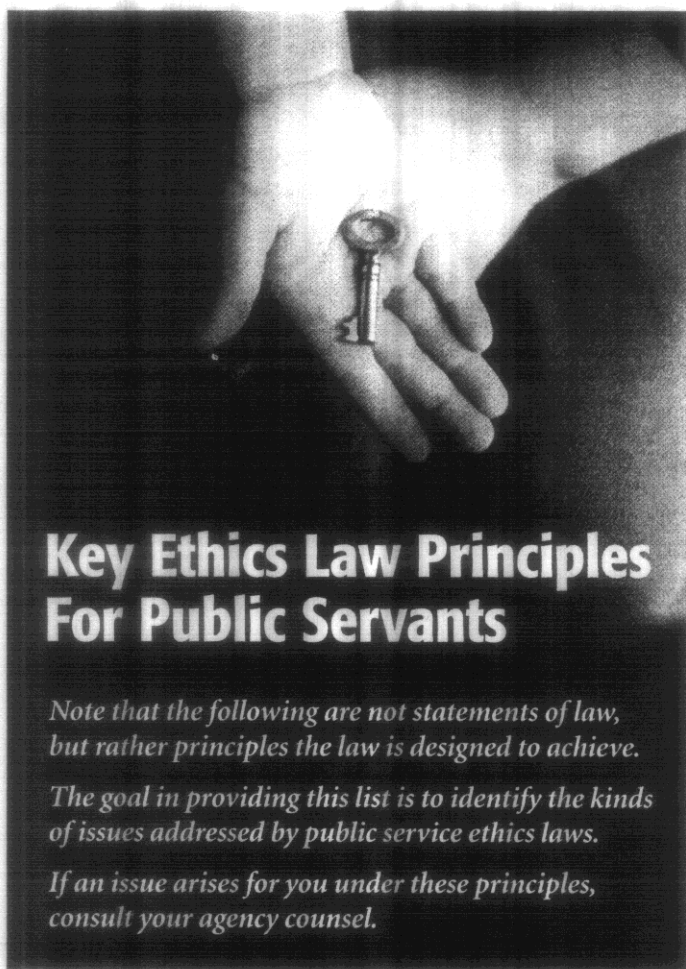
As with all ethics laws, AB 1234 creates a minimum for ethics education—not a maximum. We encourage you to take advantage of additional training in ethics-related topics and document those efforts as well.

If you have any questions regarding these requirements, please contact my office. Note that general information about AB 1234 is also available at www.ca-ilg.org/ab1234compliance, including a frequently-asked-questions sheet.

C: City Manager
 City Clerk
 File

⁵ Cal. Gov't Code §§ 53235(e), 53235.2(a).

⁶ Cal. Gov't Code § 53235.2(b).



Key Ethics Law Principles For Public Servants

Note that the following are not statements of law, but rather principles the law is designed to achieve.

The goal in providing this list is to identify the kinds of issues addressed by public service ethics laws.

If an issue arises for you under these principles, consult your agency counsel.

PERSONAL FINANCIAL GAIN

Public officials:

- ◆ Must disqualify themselves from participating in decisions that may affect (positively or negatively) their financial interests (see reverse for list of types of financial interests).
- ◆ Cannot have an interest in a contract made by their agency.
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PERSONAL ADVANTAGES & PERKS

Public officials:

- ◆ Must disclose all gifts received of \$50 or more and may not receive gifts aggregating to over \$360 (2006) from a single source in a given year.
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GOVERNMENT TRANSPARENCY

Public officials:

- ◆ Must disclose their financial interests.
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- ◆ Must allow public inspection of documents and records generated by public agencies, except when non-disclosure is specifically authorized by law.
- ◆ Must disclose information about significant (\$5000 or more) fundraising activities for legislative, governmental or charitable purposes.

FAIR PROCESSES

Public officials:

- ◆ Have a responsibility to assure fair and competitive agency contracting processes.
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INSTITUTE FOR
LOCAL GOVERNMENT

FOUNDED 1955

A Public Official's Conflict Of Interest Checklist

KEY CONCEPTS

- ✓ A public agency's decision should be based solely on what best serves the public's interests.
- ✓ The law is aimed at the perception, as well as the reality, that a public official's personal interests may influence a decision. Even the temptation to act in one's own interest could lead to disqualification, or worse.
- ✓ Having a conflict of interest does not imply that you have done anything wrong; it just means you have financial or other disqualifying interests.
- ✓ Violating the conflict of interest laws could lead to monetary fines and criminal penalties for public officials. Don't take that risk.

BASIC RULE

A public official may not participate in a decision – including trying to influence a decision – if the official has financial or, in some cases, other strong personal interests in that decision. When an official has an interest in a contract, the official's agency may be prevented from even making the contract.

WHEN TO SEEK ADVICE FROM AGENCY COUNSEL

The rules are very complex. Talk with your agency counsel 1) early and often 2) when an action by your public agency 3) may affect (positively or negatively) 4) any of the following:

- ✓ **Income.** Any source of income of \$500 or more (including promised income) during the prior 12 months for you or your spouse/domestic partner.
- ✓ **Business Management or Employment.** An entity for which you serve as a director, officer, partner, trustee, employee, or manager.
- ✓ **Real Property.** A direct or indirect interest in real property of \$2000 or more that you or your immediate family (spouse/domestic partner and dependent children) have, including such interests as ownership, leaseholds (but not month-to-month tenancies), and options to purchase. Be especially alert when any of these are located within 500 feet of the subject of your decision.
- ✓ **Personal Finances.** Your or your immediate family's (spouse/domestic partner and dependent children) personal expenses, income, assets, or liabilities.

- ✓ **Gift Giver.** A giver of a gift of \$360 or more to you in the prior 12 months to you, including promised gifts.
- ✓ **Lender/Guarantor.** A source of a loan (including a loan guarantor) to you.
- ✓ **Contract.** You or a member of your family would have an interest (direct or indirect) in a contract with the agency.
- ✓ **Business Investment.** An interest in a business that you or your immediate family (spouse/domestic partner and dependent children) have a direct or indirect investment worth \$2000 or more.
- ✓ **Related Business Entity.** An interest in a business that is the parent, subsidiary or is otherwise related to a business where you:
 - Have a direct or indirect investment worth \$2000 or more; or
 - Are a director, officer, partner, trustee, employee, or manager.
- ✓ **Business Entity Owning Property.** A direct or indirect ownership interest in a business entity or trust of yours that owns real property.
- ✓ **Campaign Contributor.** A campaign contributor of yours (applies to appointed decision-making bodies only).
- ✓ **Other Personal Interests and Biases.** You have important, but non-financial, personal interests or biases (positive or negative) about the facts or the parties that could cast doubt on your ability to make a fair decision.

WHAT WILL HAPPEN NEXT?

Agency counsel will advise you whether 1) you can participate in the decision and, 2) if a contract is involved, whether the agency can enter into the contract at all. Counsel may suggest asking either the Fair Political Practices Commission or the State Attorney General to weigh in.

EVEN IF IT'S LEGAL, IS IT ETHICAL?

The law sets only minimum standards. Ask yourself whether members of the public whose opinion you value will question whether you can act solely in the public's interest. If they might, consider excusing yourself voluntarily from that particular decision-making process.

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SKU: 1604 Price: \$5 (for set of five)



Doing the Right Thing:

**PUTTING ETHICS PRINCIPLES
INTO PRACTICE IN PUBLIC SERVICE**

Universal Ethical Values

Research by the Institute for Global Ethics identifies ethical values that transcend virtually all cultures and religions.

Among them are:

- Trustworthiness
- Responsibility
- Respect
- Loyalty
- Compassion
- Fairness

In the hurly-burly, competitive world of politics, it can be easy to overlook a fundamental fact: the public expects and deserves its public servants to serve the public's interest—not private or political interests.

Values are very important to the public. The public is strongly supportive of public officials' following their sense of "what is the right thing to do" in making government decisions.¹

"...how does the conscientious public official sort through competing considerations and determine "the right thing to do?"

The key question is: how does the conscientious public official sort through competing considerations and determine "the right thing to do?" When it comes to being a public servant, how does one put one's values into practice?

"The Right Thing to Do"

There are a number of sources of guidance. One, of course, is the law. For example, California has a complex array of laws relating to ethics in public service.

The law, however, only sets a minimum standard for ethical conduct. Just because an action is legal doesn't mean that it is ethical. Or that it reflects your or the public's values.

The key is to go to the source and think in terms of values. The chart on the next page identifies key ethical values that tend to resonate with nearly everyone—irrespective of culture, religion or national origin.²

Of course, the next question is: What do these values mean in the context of being a public servant? The chart on the next page provides some food for thought.

About the Institute for Local Government

The Institute's mission is to develop forward-thinking resources to help local officials serve their communities.

Institute for Local Government

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When we talk about the values that ought to guide one's public service, what kinds of values do we mean? The following provides some ideas on values that can inform one's public service and suggests examples of what those values mean in practice.

Trustworthiness

- I remember that my role is first and foremost to serve the community.
- I am truthful with my fellow elected officials, the public and others.
- I avoid any actions that would cause the public to question whether my decisions are based on personal interests instead of the public's interests.
- I do not accept gifts or other special considerations because of my public position.
- I do not knowingly use false or inaccurate information to support my position.
- I do not use my public position for personal gain.
- I carefully consider any promises I make (including campaign promises), and then keep them.

Fairness

- I make decisions based on the merits of the issues.
- I honor the law's and the public's expectation that agency policies will be applied consistently.
- I support the public's right to know and promote meaningful public involvement.
- I support merit-based processes for the award of public employment and public contracts.
- I am impartial and do not favor those who either have helped me or are in a position to do so.
- I promote equality and treat all people equitably.
- I excuse myself from decisions when my or my family's financial interests may be affected by my agency's actions.
- I credit others' contributions in moving our community's interests forward.
- I maintain consistent standards, but am sensitive to the need for compromise, "thinking outside the box," and improving existing paradigms.

Responsibility

- I work to improve the quality of life in the community and promote the best interests of the public.
- I promote the efficient use of agency resources.
- I do not use agency resources for personal or political benefit.
- I represent the official positions of the agency to the best of my ability when authorized to do so.
- I explicitly state that my personal opinions do not represent the agency's position and do not allow the inference that they do.
- I take responsibility for my own actions, even when it is uncomfortable to do so.

- I do not use information that I acquire in my public capacity for personal advantage.
- I do not promise that which I have reason to believe is unrealistic.
- I disclose suspected instances of impropriety to the appropriate authorities, but I never make false charges or charges for political advantage.
- I do not disclose confidential information without proper legal authorization.
- I am proactive and innovative when setting goals and considering policies.
- I consider the broader regional and statewide implications of the agency's decisions and issues.
- I promote intelligent innovation to move forward the agency's policies and services.

Respect

- I treat fellow officials, staff and the public with courtesy, even when we disagree.
- I focus on the merits in discussions, not personality traits or other issues that might distract me from focusing on what is best for the community.
- I gain value from diverse opinions and build consensus.
- I follow through on commitments, keep others informed, and make timely responses.
- I am approachable and open-minded, and I convey this to others.
- I listen carefully and ask questions that add value to discussions.
- I involve all appropriate stakeholders in meetings affecting agency decisions.

- I come to meetings and I come to them prepared.
- I work to improve the quality of life in my community.

Compassion

- I realize that some people are intimidated by the public process and try to make their interactions as stress-free as possible.
- I convey the agency's care for and commitment to its community members.
- I am attuned to, and care about, the needs and concerns of the public, officials, and staff.
- I recognize my responsibility to society's less fortunate.
- I consider appropriate exceptions to policies when there are unintended consequences or undue burdens.

Loyalty

- I safeguard confidential information.
- I avoid employment, contracts and other financial, political and personal interests that can conflict with my public duties.
- I prioritize competing issues based on objective benefits and burdens to the public interest, not to myself, my family, friends or business associates.
- I don't oppose final decisions once they have been made by the decision makers, except through internal lines of communication.
- I put loyalty to the public's interests above personal and political loyalties.

The Importance of Public Perception

The interesting — and somewhat unique — aspect of public service ethics is that it is not exclusively an introspective process. A public official can be absolutely confident that he or she is able to put personal interests or relationships aside, but the public may still question whether indeed that is so.

Public perception, therefore, matters a great deal in one's analysis of what the "right thing to do" is in public service. This is because, as public servants, public officials are stewards of the public's trust in the public's governing institutions.

In short, public service ethics is not only about doing the right thing, but also about the public's confidence that indeed the right thing has been

done. But not doing the right thing just because the public's perception may be negative can have its own pitfalls. To step, or at times tiptoe, along the trail toward good government, here is a simple (but not necessarily easy) process:

- **First Step:** Figure out what "the right thing" to do is.
- **Second Step:** Figure out what the public's perception of "the right thing to do" would be.
- **Third Step:** When needed, balance the first two steps and follow the path which best supports public service values.

■ Types of Ethical Dilemmas

At some point in your service as an elected official, you will likely face two common types of ethical dilemmas:

- **Personal Cost Ethical Dilemmas.** This involves situations in which doing the right thing may or will come at a significant personal cost to you or your public agency. These also can be known as “moral courage” ethical dilemmas.
- **Right-versus-Right Ethical Dilemmas.** This type of ethical dilemma involves those situations in which there are two conflicting sets of “right” values.³

Of course, some dilemmas are a combination of both: a conflict between competing sets of “right” values (right-versus-right) and a situation in which doing the right thing involves personal or political costs.

■ Personal Cost Ethical Dilemmas

With these kinds of dilemmas, the costs can be political – such as the loss of a political support or perhaps even one’s prospects for reelection.

Or, the cost can be financial, for example a missed opportunity for financial gain or material benefits. Issues relating to the proper use of public resources fall into the “personal cost” type of ethical dilemma, inasmuch as these dilemmas typically involve whether one is going to forgo a tempting political or personal benefit.

Finally, the cost can be more directly personal, as when a particular course of action may jeopardize a friendship.

- In these situations, the answer is relatively simple, but certainly not easy. The bottom line is that being ethical means doing the right thing regardless of personal costs.

■ Right-versus-Right Ethical Dilemmas

Right-versus-right ethical dilemmas can be more difficult to resolve.

One example is when a lifetime, best friend urges you to do something that conflicts with your own best sense of what will serve your community’s interests. In this dilemma, there is a conflict between your responsibility to do what is in the public’s best interest and your loyalty to your friend. Responsibility and loyalty are both bona fide ethical values.

- The key is, as a public servant, the ethical value of responsibility (and the responsibility to do what is in the public’s best interest) trumps the ethical value of loyalty. This is when thinking about the public’s perception of the right thing to do can be a useful dilemma-resolution strategy (see box at left).

Endnotes

¹ Meg Bostrom, *By or For the People? A Meta-Analysis of Public Opinion of Government* (January 2005) at 31.

² See Rushworth M. Kidder, *How Good People Make Tough Choices* (Simon and Schuster, 1995) at 77-92.

³ *Id.* at 13-49.

Avoid the Rationalization Trap

One way public officials can get themselves sideways with both the public’s expectations and the law is when they start rationalizing or relying on situational ethics, i.e., those ethics that are sculpted to fit the facts. Many of these rationalizations can start with the fact that, as a public servant, one gives a great deal of time and energy to one’s community.

As worthy as it is, this commitment does not entitle you to:

- Benefits to your business or personal finances as a result of your public service.
- Special benefits or “perks” associated with your public office from businesses or others.
- Use public resources for personal or political purposes.
- Secure special treatment from your agency or others in regulatory or enforcement matters for yourself or others.

If you find yourself rationalizing that you deserve some special benefit, stop yourself. You are likely on the path to an ethical, or maybe even legal, misstep. You chose to run for office and are responsible for creating the possibility of the impact on your time.

As the Greek philosopher Demosthenes observed, “Nothing is so easy as to deceive oneself; for what we wish, we readily believe.”

****Think about your values in public service in advance, as well as where your boundaries for ethical conduct are. This will help you avoid being tempted to cross the line in specific situations and fall prey to a dynamic of “situational ethics”—or the tendency to determine your ethical standards according to the situation.**

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Sorting through Ethical Dilemmas

If you find yourself faced with an ethical dilemma, the following questions may help you come to an answer:

- Which ethical values are involved in this decision (for example, trustworthiness, compassion, loyalty, responsibility, fairness, or respect)?
- Is this a situation in which ethical values are in conflict (right-versus-right dilemmas) or in which there is a significant personal cost associated with doing the right thing?
- What are the facts? What are the public benefits to be achieved or the public harm to be avoided by a particular decision? Is there a decision that does more public good than harm?
- What are your options? Is there a course of action that would be consistent with either both sets of ethical values (for right-versus-right dilemmas) or consistent with the ethical value and avoid the anticipated cost of pursuing the right course of action?
- Is one course of action more consistent with a value that is particularly important to you (for example, compassion or trustworthiness)?
- What decision best reflects your responsibility as an officeholder to serve the interests of the public as a whole?
- What decision will best promote public confidence in your agency and your leadership?

It can also be useful to think about common ethical dilemmas (or clearly improper) situations that arise for public officials and how you would handle them/what you would say.

What to Do?

Figuring out the kind of dilemma you are facing is the first step.

- **Personal Cost.** Does doing “the right thing” seem to involve a significant personal cost?
- **Right-Versus-Right.** Does the dilemma involve competing sets of “right” values?
- **Legal Issue.** Does the law provide an answer on what you must do? (Remember the law establishes only minimum obligations – just because something is legal doesn’t mean it’s ethical.)

For more information about public service ethics, visit www.ca-ilg.org/trust.

For additional copies of this publication, contact CityBooks at (916) 658-8257 or visit www.cacities.org/store.

SKU: 229

Price: \$5 (for set of five)

Ethics and Public Service

Laws and Principles

Or

- Don't let this happen to you ...



Session Objectives

1. To familiarize you with laws that govern your service *and* when to ask questions
 2. To encourage you to *think beyond legal restrictions* and provide tools for doing so
 3. Help you comply with AB 1234 requirements
-

Public Service Ethics is Different

- Laws play a bigger role
 - Perception as important as reality
 - Headlines Test
 - Role Model Test
 - Gut is not always a reliable guide
-

Ethics versus Ethics Laws

Ethics Laws

- Law = Minimum standards
 - What we *must* do
 - Ethics is what we *ought* to do
 - Above and beyond law's minimum requirements
-

Quotes

- Nearly all men (and women) can stand adversity, but if you want to test a man's character, give him power.
 - Abraham Lincoln

Quotes (cont.)

- Do the Right Thing
 - Spike Lee



Quotes (cont.)

- Live so you would not be ashamed to sell the family parrot to the town gossip.
 - Will Rogers

Quotes (cont.)

- If you are not on the line when you trip, you will not fall over it.
 - unknown

Thinking Beyond Ethics Laws

- Law tends to be starting point for most ethical analyses in public service
 - *Floor* for ethical conduct—not the ceiling
 - Where do you want to set your sights as a public servant?
 - Just because it's legal, doesn't mean it is ethical (or public will perceive it to be so)
-

Understanding Ethics Laws

- What They Cover
 - When You Need to Ask Questions
 - Resources for Further Reference
-

Four Groups of Ethics Laws

1. Personal financial gain
2. Personal advantages and perks
3. Governmental transparency
4. Fair processes



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Public officials:

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INSTITUTE FOR LOCAL GOVERNMENT

Group 1:

Personal Financial Gain Issues

- **Principle:** Public servants should not benefit financially from their positions



Examples of Laws

- Bribery and related crimes
- Financial interest disqualification requirements
- Revolving door restrictions



Bribery

- Rule: Public officials may not solicit, receive or agree to receive a benefit in exchange for their official actions
- Penalties: Loss of office, prison time, fines, restitution, attorneys fees and public embarrassment



Case Study: Strippergate

- Council members charged under federal law with tying campaign contributions to their actions on to city's "no touch" rule
 - Strip club owners were cooperating/wearing wires during conversations
-

Strippergate, continued

- Jury convicted; council members resigned
 - Judge ultimately threw out most charges for one official
 - Even so, he was financially ruined and emotionally devastated
-

Similar Crimes

- Receiving rewards for appointing someone to public office
- Embezzlement—converting public funds or property to your own



Disqualification Based on Financial Interests

- Rule: You may not participate in a decision if your financial interests are affected by a decision
- Even if decided against your personal interests!



Disqualification versus Abstention

- Abstention => voluntary
 - Disqualification => Legally required
 - Does not imply wrongdoing
 - Unless don't disqualify
-

What Kinds of Interests?

Sources of income of \$500 or more

- Your own income
- Promised income
- Partner's/dependant child's income
- Loans/guarantors



What Kinds of Interests?

Real property interests of \$2000 or more

- Direct or indirect
- Partner/dependant child's property
- Tenant interest
(except month to month)
- 500 foot rule



What Kinds of Interests?

See reverse of
handout



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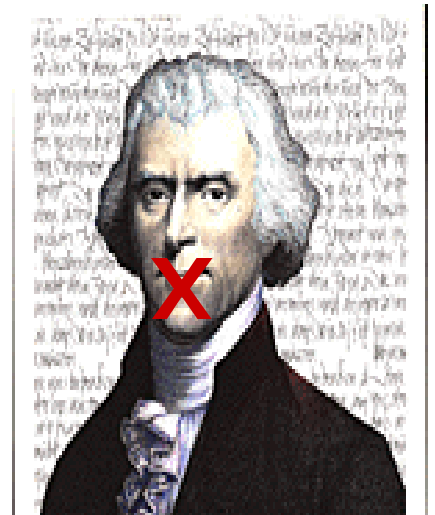
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- Cannot solicit campaign contributions of more than \$250 from permit applicants while application is pending and for three months after a decision (does not apply to elected bodies).
- Cannot represent individuals before their agency for one year after leaving agency service.
- Must conduct public hearings in accordance with due process principles.



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LOCAL GOVERNMENT

If You Are Disqualified

- Don't discuss or influence (staff or colleagues)
- Identify nature of conflict at meeting
- Leave room (unless matter on consent)
- Limited exceptions
 - Owned property
 - Owned/controlled business



Penalties

- Invalidate decision
 - Misdemeanor (could result in loss of office)
 - Fines (\$5,000 to \$10,000 per violation)
 - Attorneys fees (yours and others)
 - Embarrassment (personal/political)
-

Warning!

Special Rules for Contracts

- Disqualification may not be enough
 - Direct or indirect interest
 - Limited exceptions
- May have to refund money paid
- Felony: \$1,000 fine, imprisonment, and loss of office

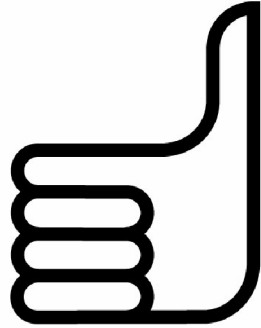


Case Study: The Travel Store

- Elected official in travel business
 - Twice failed to disclose on SEI
 - Voted on consent calendar
 - Included approval of payments to her travel agency (\$28,481 total)
 - Possible fine under PRA: \$76,000 (ultimate fine: \$29,000)
-

Future Employment Issues

- New revolving door prohibition
 - Electeds and top managers
 - Cannot represent people for pay for a year after leaving their agency
 - Effective July 1, 2006
 - No participation in decisions involving future employers
-



Best Practices

- Avoid temptation to look at public service as an opportunity for financial gain
 - Look at every decision and ask yourself whether it involves some kind of financial interest for you
-

Group 2: Perks

- **Principles:**

- Democratic equality
- Public servants should not receive special benefits by virtue of their positions



Two Kinds of Perk Rules

1. Perks that others offer you
2. Perks that you give yourself/use-of-public-resources issues



Gifts Don't Always Have Bows

- Meals, food and drink (including receptions)
 - Entertainment (concerts & sporting events)
 - Certain kinds of travel and lodging
-

Perks Others Offer

- Report \$50 and up (over a year)
- Limit \$360 per year from any source
- Exceptions for some kinds of travel, informational materials
- May also be a disqualifying interest (over \$360 in prior 12 months)



Penalties

- Up to \$5,000 per violation
 - Own attorneys fees (\$3,000-\$30,000)
 - Others' attorneys fees (for private actions to enforce law)
-

Other Perks Others Offer

- No free transportation from transportation carriers
 - No honoraria (fees) for speaking or writing
-

Use of Public Resources Issues

- Personal use of public resources (including staff time and agency equipment) prohibited
- Political use of public resources also prohibited



Example:

Expense Reimbursement

- Familiarize yourself with your agency's policies/limits
 - What kinds of expenses
 - What rates for food, lodging and transportation
 - The importance of documentation
 - Note: Spouse/partner expenses not reimbursable
-

Consequences of Violations

- Civil penalties: \$1,000/day fine + 3X value of resource used
- Criminal penalties: 2-4 year prison term + disqualification from office
- Can also have income tax implications



Case Study: Sacramento Suburban Water District

- Staff and directors misusing public resources
 - Investigative report by *Sacramento Bee*
 - Use of agency credit card for personal purposes
 - Misreporting of income
 - Double-dipping on expense reimbursements
 - Legislative response: AB 1234
-

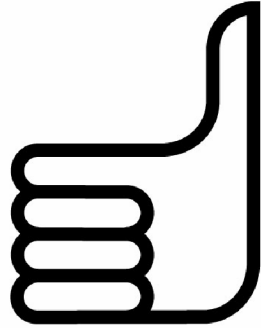
Political Use of Public Resources

- By individuals or agency itself (support of ballot measures)
- Mass mailing restrictions
 - Goal: restrict incumbents' advantages
- Gifts of public funds



Example: First Five Commission

- Agency resources used to produce pro-preschool ads
 - Legal? Maybe
 - Ethical? Director resigned
-



Best Practice

- Avoid perks *and* the temptation to rationalize about them
 - Legally risky
 - Public relations headache



San Francisco Chronicle

Cunningham gets 8 years for taking millions in bribes

Sonya Geis, Charles R. Babcock, Washington Post
Saturday, March 4, 2006

San Diego — Former congressman Randy "Duke" Cunningham, a decorated fighter pilot in Vietnam who admitted taking \$2.4 million in bribes from two defense contractors, was sentenced Friday to eight years and four months in federal prison.

Asked to put the dimensions of Cunningham's corruption in perspective, Thomas Mann, an expert on Congress at the Brookings Institution, said "we haven't seen anything like" the magnitude and duration of Cunningham's crimes since the Teapot Dome scandal of the 1920s.



Los Angeles Times

CALIFORNIA

LOS ANGELES EDITION

Wednesday, July 30, 2003

latimes.com/california

THE RECALL CAMPAIGN

Divorced Pair Consider Races for Governor

Former Senate candidate Michael Huffington takes out papers. Arianna Huffington weighs in bid as fans on a Web site urge her to run.

By MATTHEW COHEN
Times Staff Writer

Even amid the odious of California's new-fangled political season, one pair of possible candidates to replace Gov. Gray Davis has emerged as especially intriguing political commentators: Arianna Huffington and her ex-husband, Michael Huffington, a former congressman.

No less than Davis himself remarked on the novelty of potential bids by the onetime debate-candidate-turned-onetime-race-winner and his ex-wife, a former *Newsday* and *Republican* turned left-of-center independent. "That'd be sort of interesting," he said with a shrug.

Last week, Michael Huffington took out papers to run in the Oct. 7 recall election, a move that surprised many political strategists who have seen little of the former congressman since he spent \$25 million in a losing bid to unseat U.S. Sen. Dianne Feinstein in 1994. On Tuesday, a spokesman said Huffington would not enter any races.

RELATED STORY

Feinstein vowed Tuesday to run for governor. **B5**

Although she calls the recall effort "a Republican power grab," Huffington said she could represent an alternative choice in an election that so far includes only conservatives and a Green Party leader among the major candidates.

"People are very frustrated with politics as usual," she said Tuesday from Aspen, Colo., where she was attending a conference sponsored by *Fortune* magazine. "That opportunity which is presented by the vacuum in this election is really what I find very appealing.... The very fact that it's going to be chaotic presents an opportunity to run a populist campaign with a lot of grass roots support."

For now, her supporters are keeping their fingers crossed that her ex-husband



PLEA AGREEMENT: Daryl W. Sweeney and his wife, Betty, listen to his lawyer read a prepared statement after the mayor ordered a guilty plea. Sweeney will remain free on bond until his sentencing in October. He faces about 24 years in prison.

Mayor Pleads Guilty in Carson Corruption Case

Daryl Sweeney admits conspiring to extort money from waste

low city contract and pledged to cooperate with federal prosecutors probing other political corruption schemes in Southern California.

Perry
Sweeney said that Sweeney is already cooperating with prosecutors and that "we hope to tell

placed their trust in me. I have failed you."

Sweeney became the ninth defendant, the second mayor

Group 3:

Transparency Laws

Principles:

- It's the public's business
- Public trusts a process it can see



Transparency Rules

- Conduct business in open and publicized meetings
- Allow public to participate in meetings
- Allow public inspection of records

INSTITUTE for LOCAL GOVERNMENT
Celebrating 50 years of service to local officials
www.ilsg.org

The ABCs of Open Government Laws

The underlying philosophy of the open government laws is that public agency processes should be as transparent as possible. Such transparency is vital in promoting public trust in government. Conducting government openly and transparently is an opportunity to include the public in decision-making processes and demonstrate that the agency has nothing to hide.

This concept of governmental transparency is so important to the public that some 83 percent of voters supported adding it to California's constitution.

CALIFORNIA'S TRANSPARENCY LAWS REQUIRE PUBLIC OFFICIALS TO:

- A.** Conduct the public's business in open and publicized meetings, except for the limited circumstances under which the law allows closed sessions.
- B.** Allow the public to participate in meetings.
- C.** Allow public inspection of documents and records generated by public agencies, except when non-disclosure is specifically authorized by law.

This pamphlet summarizes these three requirements for local officials in broad terms. For information about how these requirements apply in any given situation or more information about this area of the law in general, local officials are encouraged to consult with their agency attorneys.

The law also requires certain local officials to be transparent about their personal financial interests and relationships. For more information about these requirements, please see the Institute's bookmark entitled "Key Ethics Law Principles for Local Officials" and A Local Officials Reference on Ethics Laws. Both are available at www.ilsg.org/trust.

Conducting Business at Open Meetings

- A majority may not consult outside an agency-convened meeting
 - Key concept: what constitutes a meeting
 - Example: Serial communications
 - Exceptions for certain kinds of events
 - As long as a majority does not consult among themselves
-

Consequences of Violations

- Nullification of decision
 - Criminal sanctions for intentional violations
(up to 6 months in jail/\$1000 fine)
 - Intense adverse media attention
-

Public Records

- Agendas and meeting materials
 - Other writings prepared, owned, used or retained by agency (including electronic)
 - Penalties: Adverse media attention +costs and fees if litigated
-

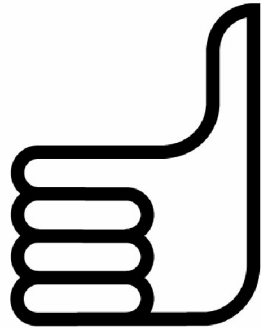
Financial Interest Disclosure

- Transparency includes obligation for high level public servants to disclose financial interests
 - Assuming office
 - Annually while in office
 - Upon leaving office



Charitable Fundraising

- Rule applies to elected officials
 - Disclose \$5,000 or more from single source
 - Charitable, legislative or governmental purpose
-



Best Practices

- Assume all information is public or will become public
- Don't discuss agency business with a quorum of fellow decision-makers outside of meetings



Group 4: Fair Process Laws

- **Principle:** As a decision-maker, the public expects you to be impartial and avoid favoritism



Fair Process Laws

- Due process requirements and rules against bias
 - *Nasha v. City of Los Angeles*
 - *Clark v. Hermosa Beach*
- Incompatible office prohibitions



Fair Process Laws, continued

- Competitive bidding requirements
 - State law defines
 - Also local requirements
 - Principles:
 - Everyone has a right to compete for agency's business
 - That competition produces the best price for taxpayers



Los Angeles Times

CALIFORNIA

LOS ANGELES EDITION

Tuesday, March 21, 2006

latimes.com/cm

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'We just want to put him back on the map.'

Jennifer Rogers-Elchevery, Will Rogers' great-granddaughter



Former Mayor Gets 16 Years in Scam

Ex-Lynwood official
Paul H. Richards II set
up a sham corporation
in a scheme that could
have made him more
than \$6 million.

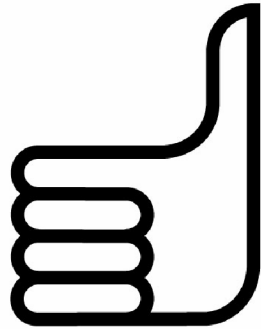
By JEAN GUCCIONE
Times Staff Writer

Former Lynwood Mayor Paul
H. Richards II was ordered Mon-
day to serve nearly 16 years be-

Fair Process Laws, continued

- Disqualification requirements if decision involves family members
- Campaign contribution restrictions (appointed bodies)
- Soliciting campaign contributions from employees

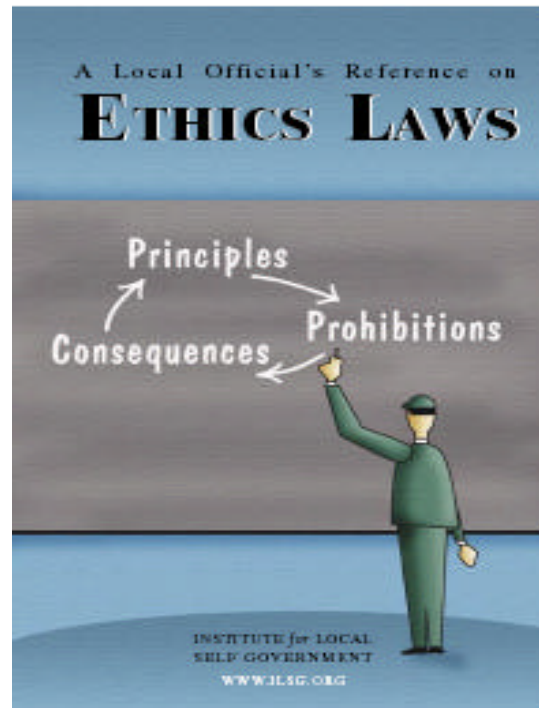




Best Practices

- Think fairness and merit-based decision-making in your decisions
 - Keep politics separate from relationships with agency staff
-

Resources for Further Reading



Beyond the Law: Public Service Ethics Principles

Ethics = Values

- Six universal ethical values:
 - Trustworthiness
 - Loyalty
 - Responsibility
 - Community interest
 - Respect
 - Fairness
 - Compassion

Source: Institute for Global Ethics

Applying Values to Public Service

Step One: What is the “right thing to do”.

Step Two: What is the public perception of the “right thing to do”.

Step Three: If necessary, balance Steps One and Two and follow the path that best supports public service values.

PUBLIC SERVICE VALUES

When we talk about the values that ought to guide one's public service, what kinds of values do we mean? The following provides some ideas on values that can inform one's public service and suggests examples of what these values mean in practice.

Trustworthiness

- I remember that my role is first and foremost to serve the community.
- I am truthful with my fellow elected officials, the public, and others.
- I avoid any actions that could cause the public to question whether my decisions are based on personal interests instead of the public's interests.
- I do not accept gifts or other special considerations because of my public position.
- I do not knowingly use false or inaccurate information to support my position.
- I do not use my public position for personal gain.
- I carefully consider any promises I make (including campaign promises), and then keep them.

Fairness

- I make decisions based on the merits of the issues.
- I honor the law's and the public's expectation that agency policies will be applied consistently.
- I support the public's right to know and promote meaningful public involvement.
- I support merit-based processes for the award of public employment and public contracts.
- I am impartial and do not favor those who either have helped me or are in a position to do so.
- I promote equality and treat all people equitably.
- I recuse myself from decisions when my or my family's financial interests may be affected by my agency's actions.
- I credit others' contributions in moving our community's interests forward.
- I maintain consistent standards, but am sensitive to the need for compassion, "thinking outside the box," and improving existing practices.

Responsibility

- I work to improve the quality of life in the community and promote the best interests of the public.
- I promote the efficient use of agency resources.
- I do not use agency resources for personal or political benefit.
- I represent the official positions of the agency to the best of my ability when authorized to do so.
- I explicitly state that my personal opinions do not represent the agency's position and do not allow the inference that they do.
- I take responsibility for my own actions, even when it is uncomfortable to do so.

Respect

- I treat fellow officials, staff and the public with courtesy, even when we disagree.
- I focus on the merits in discussions, not personality traits or other issues that might distract me from focusing on what is best for the community.
- I give value to diverse opinions and build consensus.
- I follow through on commitments, keep others informed, and make timely responses.
- I am approachable and open-minded, and I listen to others.
- I frame carefully and ask questions that add value to discussions.
- I involve all appropriate stakeholders in meetings affecting agency decisions.

Compassion

- I realize that some people are introduced by the public persons and try to make their interactions as stress free as possible.
- I honor the agency's care for and commitment to its community members.
- I am attuned to, and care about, the needs and concerns of the public, officials, and staff.
- I recognize my responsibility to society's less fortunate.
- I consider appropriate exceptions to policies when there are extenuating circumstances or similar benefits.

Loyalty

- I safeguard confidential information.
- I avoid employment, contracts and other financial, political and personal interests that can conflict with my public duties.
- I prioritize competing issues based on objective benefits and burdens to the public, however, not to myself, my family, friends or business associates.
- I don't oppose final decisions once they have been made by the decision makers, except through internal lines of communication.
- I put loyalty to the public's interests above personal and political loyalties.

The Importance of Public Perception

The interesting – and somewhat unique – aspect of public service ethics is that it is not exclusively an introspection process. A public official can be absolutely confident that he or she is able to put personal interests or relationships aside, but the public may still question whether indeed that is so.

Public perception, therefore, matters a great deal in one's analysis of what the "right thing to do" is in public service. This is because, as public servants, public officials are stewards of the public's trust in the public's governing institutions.

In short, public service ethics is not only about doing the right thing, but also about the public's confidence that indeed the right thing has been done. But not doing the right thing just because the public's perception may be negative can have its own pitfalls. To stay, or at times ignore, along the long-touted good government, hero is a simple (but not necessarily easy) process:

- First Step:** Figure out what "the right thing" to do is.
- Second Step:** Figure out what the public's perception of "the right thing to do" would be.
- Third Step:** When needed, balance the first two steps and follow the path which best supports public service values.

Analyzing Ethical Dilemmas

Two kinds of dilemmas:

- Two competing “right values”
- Doing the right thing costs more than one wants to pay – the personal cost

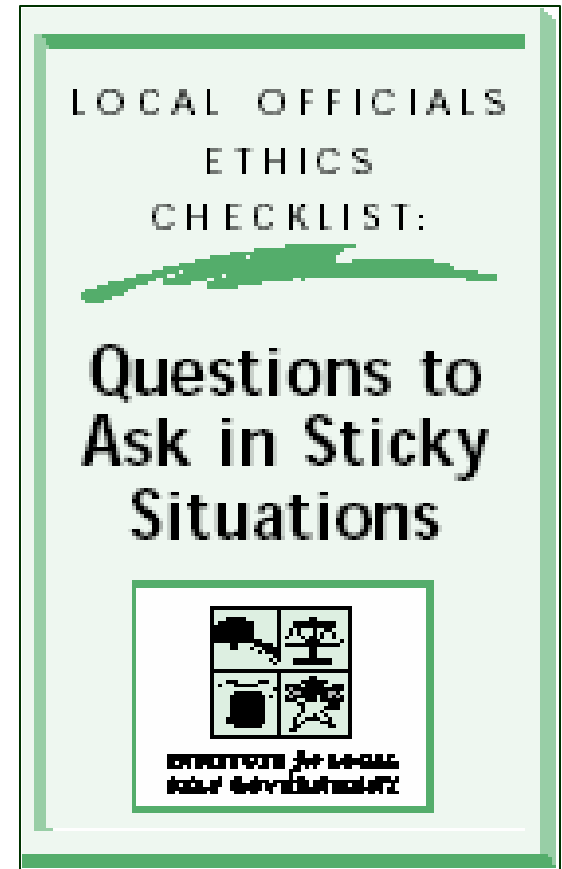


Example

- Campaign contributor wants you to do something
 - You are not convinced it's in the best interests of the community
 - Right versus right dilemma (loyalty versus responsibility)
 - Doing the right thing (acting on responsibility) then becomes a personal cost dilemma
-

Questions to Ask

- What would make the public feel best/inspire public confidence?
- What would you want to read about on the front page?
- How do you want to be remembered?



Key Lessons

- The law sets minimum standards for ethical behavior
 - Violations of ethics laws carry stiff penalties
 - When in doubt, ask and ask early
 - It's your choice how high you want to set your sights above the minimum requirements of the law
-

JUST REMEMBER

- If you're not on the ethical line, you can't trip over it!



Resources

- Institute for Local Government
 - Local Official Ethics Resource Center
 - www.ca-ilg.org
 - Western City Magazine
 - *Everyday Ethics for Local Officials*
 - City Attorney's Office
 - Government Code
-

AB 1234 Compliance

- Sign in
 - Proof of participation certificate
 - Provide to clerk as public record
 - Consider going beyond the minimum in terms of education
-

Questions?
